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DEPT FOR WHA A/S SHANNON, WHA/CEN

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TAGS: EAID ECON EFIN KDEM NU PGOV PINR PREL SUBJECT: A/S SHANNON'S MEETING WITH THE MRS

Classified By: Ambassador Paul A. Trivelli. Reasons 1.4 (B,D).

11. (C) SUMMARY: During a November 27 meeting with Assistant Secretary Thomas Shannon, key Sandinista Renovation Movement (MRS) leaders expressed their views on the elections and the party's future. MRS member Luis Carrion, National Assembly deputy Monica Baltodano and spokesperson Israel Lewites stated that the MRS will not "pact" with anyone in the National Assembly, but rather will seek alliances on an issue-by-issue basis. The MRS will continue to "test" Ortega and push him on key concerns, Luis Carrion told A/S Shannon. He also suggested that the United States should engage Ortega, but insist on adherence to the rule of law, anticorruption efforts and judicial reform.

THE PACT DETERMINED THE ELECTION RESULTS

- 12. (C) On November 27, A/S Shannon met with MRS members Luis Carrion (who came in place of MRS deputy Victor Hugo Tinoco, who could not attend due to a death in the family) Monica Baltodano and Israel Lewites to elicit their views on the November elections. Claiming that the "pact" between the National Sandinista Liberation Front (FSLN) and the Liberal Constitutional Party (PLC) was responsible for the outcome, Carrion opined that the FSLN and PLC acted as if they "owned the process" on election day. He stated that while Daniel Ortega did win the presidency, the MRS believes that the Supreme Electoral Council (CSE) manipulated some of the National Assembly deputy results. According to Carrion, on election day, the FSLN was "ready for fraud," and if there had not been so many national and international observers, the fraud would have been much worse.
- 13. (C) Carrion also pointed to national/voter ID (cedula) issuance and distribution problems and their effect on election results. He mentioned his party's difficulties with recruiting and training a sufficient number of party poll watchers (fiscales) and maintaining a presence in rural areas. In Carazo, Carrion believes the MRS succeeded in fighting for its Assembly deputy seat because of its strong presence in the department. In rural areas, however, the MRS may have lost deputy seats because of little or no presence. Carrion emphasized that the CSE also played a role in manipulating the results. Though the CSE said that election "anomalies" cited by the parties did not affect the vote count, the MRS believes they add up and "probably stripped them of a deputy or two." Carrion has sent several written complaints to the CSE, but they have not answered a single one. He opined that the system "is not trustworthy," and that the electoral law needs to be reformed to make it more equitable.

- ¶4. (C) Carrion stated that the MRS was disappointed with the election results, having received less than they had wanted and expected especially in the deputy races. But, he opined, the MRS is convinced that it exercises "more political weight than just a couple of deputies." Carrion views the MRS as "a critical voice in the National Assembly" and insisted that the party will not cave to pressure from the FSLN. The FSLN is already trying to pull away MRS members with offers of money and high-ranking positions, and are using the argument that "all Sandinistas are the same," according to Carrion. He cited the example of Mario Valle, who was elected on the MRS slate of deputies but has since left the party for the FSLN. Carrion told A/S Shannon that the MRS needs to push its programs and ideas and that there will be no rigid "pact" with any party; instead the MRS will seek alliances on individual issues.
- 15. (C) Carrion observed that in a way, having few deputies gives the MRS more freedom to work on its central platform —diminishing the inequity in Nicaragua. The MRS will not only highlight justice and corruption issues, but also work towards concrete and practical change. The MRS will expand party presence throughout the country and prepare for the 2008 municipal elections, according to Israel Lewites. In particular, the party will consolidate support in Carazo, Masaya, and Managua and seek more rural support, he stated. Monica Baltodano echoed the need for grassroots campaigning to organize MRS supporters in the rural areas.
- 16. (C) A/S Shannon queried Carrion about the future of the party and the possibility of membership in international party centrals, much as the Soviet International. Carrion admitted that the MRS was often overshadowed by the FSLN in the international arena, but was looking to increase its profile in that arena. A/S Shannon mentioned Spain as a possible ally and suggested that international solidarity would counter FSLN efforts to dismantle the party.

WE WILL TEST ORTEGA'S DEMOCRATIC CREDENTIALS

- 17. (C) Throughout the meeting, the MRS leaders expressed their concern about an FSLN government to A/S Shannon. Carrion believes that the FSLN leadership is corrupt, which presents an "enormous chance" for rampant corruption within the new government. The MRS members each mentioned Ortega's commitments to his supporters and that these promises will be difficult to keep. Carrion considers it a "litmus" test how Ortega will balance the different factions within the FSLN. Ortega's dealing with Arnoldo Aleman will be another "test," since the PLC and the FSLN enjoy a majority in the National Assembly, added Carrion. Lewites foresees Ortega looking for opportunities to consolidate power and believes that he will "pay off" certain sectors to the detriment of the middle class.
- 18. (C) The MRS sees a clear role for the party to "test Ortega's democratic credentials every step of the way," opined Carrion. The MRS will grant Ortega the benefit of the doubt -- but he must respect and expand the democratic process, elaborated Carrion. They will view each political moment as "a test of his commitment to democracy." Lewites added that the MRS "will be the pebble in Ortega's shoe, a constant irritant and reminder of his promises to the people."
- 19. (C) Former FSLN militant Monica Baltodano claimed that Ortega is "not a leftist" despite his radical discourse. She termed him a "mafioso" and stated that his government is not going to be good for the country -- Nicaragua needs change. Opining that everyone appears happy with Ortega's initial statements, she predicted that Ortega may be able to satisfy certain sectors so that no one will oppose him, even though fundamental problems in Nicaragua will not be addressed. Baltodano sees the role of emerging leftist organizations

(and the MRS) to force Ortega to focus on issues of social justice and anticorruption.

MRS ADVICE ON DEALING WITH ORTEGA

- 10. (C) A/S Shannon explained to the MRS that he wants to maintain a dialogue with Ortega but that he also hopes to foster better dialogue with civil society and other political parties. He emphasized that Nicaragua needs parties that are focused on change and asked what the MRS predicted for the future. Carrion responded that the situation is complex -- "When you expect the worst, even something poor becomes OK." He believes this dynamic has created the image that "everything is OK."
- 111. (C) In response to a question from Ambassador Trivelli for advice on dealing with Ortega, Lewites cautioned that the United States should not believe everything Ortega says. Carrion opined that Ortega is driven by two "psychological needs" -- one, to be legitimately elected as the president of Nicaragua and two, to be recognized and accepted by the United States. Because of this, Carrion believes that Ortega needs to maintain a relationship with the United States. Baltodano stated that the United States needs to insist on rule of law and justice. Carrion echoed her statement and added that judicial appointments will be a key test of the new government.

112. (U) Participants:

Nicaragua: Luis Carrion Monica Baltodano Israel Lewites

U.S.:

Assistant Secretary Tom Shannon Ambassador Paul Trivelli Polcouns Victoria Alvarado Poloff Nicole Chulick (notetaker)

113. (U) This cable was cleared by A/S Shannon. BRENNAN